

No. A-11013/33/2011-Abs. Cell (Part)
Government of India
Ministry of Communications and IT
Department of Telecommunications
(Absorption Cell)

Dated: 18th February, 2012

OFFICE MEMORANDUM

Subject: Queries raised by of ITS officers regarding recruitment in BSNL/MTNL.

Various issues regarding applicability of Rule 37, retirement/terminal benefits etc. have been raised with regard to ongoing recruitment process initiated by BSNL/MTNL for Group 'A' ITS officers. These issues have been received in DOT/BSNL/MTNL as well as during the video conferencing held on 14th and 15th February, 2012 with all the circles of BSNL by Chairman, Telecom Commission and Secretary (T), Member (Services), Member (Finance) and CMD, BSNL along with senior officers and examined in DOT in consultation with DDG (Establishment) and Finance Wing with due approval of Member (Services) and Member (Finance).

2. The queries raised and rule position thereto are as follows:-

Queries raised in BSNL's letter

S. No	Query	Rule Position	Remarks
1	Will any lien be maintained in Govt. after joining in BSNL	As per para 1(2) of DoP&T OM No. 28016/5/85-Estt.(C) dated 31.01.1986, no lien/ quasi-permanent status of the Government servant concerned will be retained in his parent cadre. All his connections with the government will be severed on his release for appointment in a enterprise and he will not be allowed to revert to his parent cadre.	
2	Please state whether absorption will be under Rule 37 of CCS Pension Rule or some other rule	Appointment in the BSNL will be on immediate absorption basis under Rule 37 of CCS Pension Rules, 1972.	However, position shall also be got confirmed from DoP&PW.
3	Will pension be given concurrently with and over and above the salary in BSNL	As per para 1(3) & (4)(i) of DoP&T OM No. 28016/5/85-Estt.(c) dated 31 st January, 1986, reply to the query is in affirmative.	However, position shall also be got confirmed

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			from DoP&PW.
4	Whether protection enshrined in sub-rule 24(c) of Rule 37-A on dismissal/ removal/ retrenchment will be extended to ITS officers to be recruited under SLDRR-2011	No. Such protection, as has been talked about, is available only to those Government employees who have been absorbed in BSNL as per their option under Rule 37-A of CCS(Pension) Rules, 1972.	
5	Whether Dearness Relief (i.e.D.A) will be paid on pension or not	Under Rule 55-A of CCS (Pension) Rules, 1972 "If a pensioner is re-employed under the Central or State Government or a Corporation/ Company/ Body/ Bank under them in India or abroad including permanent absorption in such Corporation/ Company/ Body/ Bank, he shall not been eligible to draw Dearness Relief on pension/ family pension during the period of such re-employment". However, on cessation of such re-employment, DR on pension/family pension would stand restored. DR on family pension is made permissible in case of employed family pensioner vide DoP&PW OM 45/73/97-P&PW dated 2.7.1999.	However, position shall also be got confirmed from DoP&PW
6	What will happen to half pay leave on immediate absorption/ recruitment in BSNL	As per para 1(5) of DoP&T OM No. 28016/5/85-Estt.(C) dated 31.01.1986, A Government servant taking up an appointment in a Central public enterprise will be entitled to encashment of earned leave to his credit at the time of acceptance of his resignation from Government service, subject to a limit of 180 (now 300) days including HPL as per DoP&PW OM No. 14028/3/2011(Estt)(L) dated 24-05-2011 and remaining HPL shall be forfeited.	
7	Whether life time CGHS card shall be issued on immediate absorption in BSNL or not	As per Deptt. of Health & Family welfare OM No. C.14012/11/2003-CGHW-Desk.I dated 18.8.2009, Central Govt. Health Scheme is applicable to PSU absorbees who had commuted 100% of their pension and have been restored 1/3 rd portion of their pension after 15 years. But, reference to absorbees seem to be in the context of those absorbed under Rule 37-A of the CCS (Pension) Rules, 1972.	However, final position in this regard shall be clarified in consultation with Ministry of Health & Family Welfare.
8	Will any Special Allowance (SA) be paid to compensate for the following loses- -Children Education	Para 1(3) of DoP&T OM No. 28016/5/85-Estt(C) dated 31.1.86 provides that on appointment to a post in a public sector enterprise on immediate absorption basis, a Govt. servant will be at par with other	

	<p>Allowances to the tune of Rs. 30000/- p.a. (for two children)</p> <p>-Hostel Subsidy of Rs. 90000/- (@Rs. 3750/- pm per child)</p> <p>-No provision of All India LTC in BSNL</p> <p>-No provision of Leave encashment on availing LTC</p> <p>-Perquisite Tax</p> <p>-Transport allowance as per 6th CPC</p>	<p>employees of the enterprise and will be governed by the rules of the enterprise in all respects excepting that a Govt. servant having been selected for a post in central public enterprise will be free to negotiate his emoluments.</p>	
9	<p>Please give details of terminal benefits admissible to officers retiring in with less than 10 years of service, 10 years to <20 years of service, more than 20 years of service</p>	<p>As per rule 49(2) of CCS (Pension) Rules, 1972, in the case of a Govt. servant retiring in accordance with the provisions of the said rules after completing qualifying service of not less than 10 yrs, the amount of pension shall be calculated at 50% of the emoluments or the average emoluments whichever is beneficial subject to a minimum of Rs 3,500 per mensem and a maximum of Rs 45,000 per mensem. The Govt. employee on appointment in PSU on immediate absorption basis shall also receive terminal benefits as mentioned in para 1 of DoP&T OM dated 31.1.1986. Service gratuity in lieu of pension @ ½ months basic pay + DA for each CSMP, subject to maximum Rs 10 lakh shall be admissible in respect of officers with less than 10 years of service.</p>	<p>However, final position shall be got confirmed from DoP&PW.</p>
10	<p>What will be the career progression in DoT</p>	<p>Career progression will be based on extant rules of the Govt. and as per availability of vacant positions in the Government.</p>	
11	<p>Whether any cadre review of ITS cadre will be done in DoT.</p>	<p>This would be carried out from time to time as per extant procedures and practices.</p>	
12	<p>Will gratuity be paid for the service in BSNL after recruitment? If yes, will it be having any connection with the gratuity payable on resignation from government service to join BSNL? Please</p>	<p>As per para 6.1 of DoP&PW OM No. 38/37/08-P&PW(A) dated 2.9.2008, the maximum limit of all kind of gratuity shall be Rs 10 lakh. But, this OM is applicable to Central Govt. employees. Since DoT employees on appointment in BSNL on immediate absorption basis shall be BSNL employees, the gratuity paid under CCS (Pension) Rules, 1972 do not seem to have</p>	<p>However, the point shall be clarified in consultation with DoP&PW.</p>

	give details	any connection with the gratuity becoming admissible on account of BSNL service.	
13	Whether approval has been obtained from DPE on the issue of seniority?	As per the clarification given by DoP & T O.M No. 22034/4/2011-Estt. (D) dated 11.01.2012, DoP&T instructions are applicable for determination of seniority of a Government servant joining from one department of government to another department of government and do not apply to a government servant directly absorbed in a public sector enterprise. The seniority of non-optee ITS officers, who are proposed to be appointed in the BSNL/ MTNL on immediate absorption basis, would be governed by respective personnel policy of BSNL/ MTNL.	However, the points shall be clarified in consultation with DPE.

Queries raised in MTNL's letter

S. No	Query	Rule position	Remarks
1	Whether on recruitment in MTNL through this process, I shall be entitled to following retirement benefit from DoT- (a) pension at 50% of last drawn emoluments (b) Gratuity (c) E/L encashment (d) payment of GPF	(a), (b) & (c) DoP&T OM No. 28016/5/85-Estt.(c) dated 31.01.1986 provides for admissibility of payment of pension, gratuity and leave encashment. (d) The retirement/terminal benefits including final payment of GPF will be settled at the time of acceptance of resignation from Government service and relieving of the officer.	However, points (a), (b) & (c) shall be clarified in consultation with DoP&PW
2	Payment of pension for the service period of more than 10 year but less than 20 years	As per rule 49(2) of CCS (Pension) Rules, 1972, in the case of a Govt. servant retiring in accordance with the provisions of the said rules after completing qualifying service of not less than 10 yrs, the amount of pension shall be calculated at 50% of the emoluments or the average emoluments whichever is beneficial subject to a minimum of Rs 3,500 per mensem and a maximum of Rs 45,000 per mensem. The Govt. employee on appointment in PSU on immediate absorption basis shall also receive	However, the point shall be clarified in consultation with DoP&PW

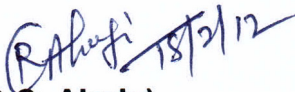
		terminal benefits as mentioned in para 1 of DoP&T OM dated 31.1.1986.	
3	As I have been working on deemed deputation in MTNL, my inter-se seniority with respect to the already absorbed officers should be maintained as per original seniority in ITS Cadre as on 1.10.2000. If MTNL/BSNL grant me such seniority, would DoT strike it down such particularly in view of DoT's commitment for protection of service interest of absorbed officers as given in the offer of absorption	As per the clarification given by DoP & T O.M No. 22034/4/2011-Estt. (D) dated 11.01.2012, DoP&T instructions are applicable for determination of seniority of a Government servant joining from one department of government to another department of government and do not apply to a government servant directly absorbed in a public sector enterprise. The seniority of non-optee ITS officers, who are proposed to be appointed in the BSNL/ MTNL on immediate absorption basis, would be governed by respective personnel policy of BSNL/ MTNL.	However, the points shall be clarified in consultation with DPE.
4	Under which rule, my pension and other terminal benefits, after technical resignation from Government service, will be fixed	The Pension/terminal benefits of the officer on resignation from the Government service will be settled in accordance with para 1(4)(i) of the DoP&T OM No. 28016/5/85-Estt.(c) dated 31-01-1986. This would be on immediate absorption basis under Rule 37 of CCS Pension Rules,1972	However, position shall be also got confirmed from DoP&PW.
5	Will the payment of pension and other terminal benefits be made to me with effect from the date to technical resignation without any lock in period.	Same as at Sr. No. 4 above.	However, this shall be clarified in consultation with DoP&PW.
6	Please clarify, whether pension, which I shall receive from DoT shall not be deducted during my pay fixation in MTNL	As per para 1(3) & (4)(i) of DoP&T OM No. 28016/5/85-Estt.(c) dated 31 st January, 1986, reply to the query is in affirmative.	However, position shall also be got confirmed from DoP&PW.
7	It may also be clarified whether I shall be eligible to apply, in case I take SVRS from surplus cell of DoT	In the eventuality of any officer who seeks SVRS after having been declared surplus, will be able to apply for employment in BSNL/MTNL, if eligible.	
8	In commutation of pension to the tune of 40% and restoration after 15 years allowed like a normal pensioner	Reply is in affirmative.	However, position shall be clarified in consultation with DoP&PW.

9	As a Central Government Pensioner, am I eligible to get CGHS card with effect from the date of technical resignation	As per Deptt. of Health & Family welfare OM No. C.14012/11/2003-CGHW-Desk.I dated 18.8.2009, Central Govt. Health Scheme is applicable to PSU absorbees who had commuted 100% of their pension and have been restored 1/3 rd portion of their pension after 15 years. But, reference to absorbees seem to be in the context of those absorbed under Rule 37-A of the CCS (Pension) Rules, 1972.	However, final position in this regard shall be clarified in consultation with Ministry of Health & Family Welfare.
10	Does the GPF amount in my account be paid after my technical resignation	The retirement/terminal benefits including final payment of GPF will be settled at the time of acceptance of resignation from Government service and relieving of the officer.	
11	Does the CGEGIS amount be paid as I cease to be in that scheme from the date of technical resignation	Accumulated benefits are payable on the cessation of membership from CGEGIS on account of resignation from the central Govt.	
12	Like other absorbed officers, will I be eligible for selection for the post of Members of Telecom Commission, TRAI, TDSAT and other telecom related bodies; for deputation to the Government/ PSUs and foreign assignments such as ITU, APT etc.	Such selection/assignment will be as per the eligibility criterion of the post as well as the personnel policy of the Company.	
13	Kindly clarify, whether my recruitment in MTNL is under Rule 37 on immediate absorption basis.	Reply is in affirmative.	However, position shall also be got confirmed from DoP&PW.
14	Whether any Car, HBA loan etc taken by me from DoT shall be	As the instant recruitment is on submission of resignation, the employee has to clear his dues from	

	transferred to MTNL, or I have to pay back all outstanding loan to DoT before acceptance of my resignation?	DOT. Any unpaid loan/advance shall have to be paid in full before relieving of the officer to join PSU.	
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3. The confirmation from respective Ministries/Departments, as stated above, would be obtained and conveyed, before the successful candidates are required to exercise his/her option, to accept the offer of appointment issued by BSNL/MTNL.

This issues with the approval of Secretary (T).


(R.C. Ahuja)
Under Secretary

To

- i) CMD, BSNL.
- ii) CMD, MTNL.

Copy for information to:

1. PPS to Secretary (T)/PS to AS (T)/PPS to JS (T)/Member (Services)/Member (Finance)/DDG (Establishment)/DDG (TPF).
2. DDG (C&A) with a request to upload above OM on the website of DOT.